

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6819

BILL NUMBER: HB 1245

NOTE PREPARED: Feb 27, 2003

BILL AMENDED: Feb 18, 2003

SUBJECT: Parking Tickets and Small Claims Costs Fees.

FIRST AUTHOR: Rep. Ayres

FIRST SPONSOR: Sen. Bray

BILL STATUS: As Passed - House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill has the following provisions:

(A) It provides that the clerk of a court or an ordinance violations bureau may send a notice to a person informing the person of the potential for suspension of the person's motor vehicle registration based upon the failure of the person to pay judgments for multiple violations of parking ordinances.

(B) It exempts municipalities from paying the small claims costs fee.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Provision A* would reduce the costs incurred by the clerk of the circuit court or ordinance violations bureau of sending out notices to parking violators. Each one-ounce certified letter with a return receipt costs the clerk of the circuit court \$4.42. In CY 2002, 21 counties reported having municipalities that established local ordinance violations bureaus that disposed of one or more municipal violations through the bureau..

If the municipality enforcing these parking violations also notifies parking violators by certified mail with a return receipt, it would incur an added cost of \$4.42 for each notification. Essentially, the costs of notification are shifted from one local governmental entity to another.

Provision B would have no fiscal impact. Under current law, municipalities are exempt from paying a filing

fee for civil actions (IC 33-19-3-1). Clerks of the circuit court have historically used this section of the code to exempt municipal agencies and other governmental corporations from the \$35 filing fee in small claims court. In 2002, P.L. 164 exempted the Office of the Attorney General from having to pay the fee. Consequently, some clerks are reportedly considering whether to charge the small claims fee when local units of government file a small claims action. This bill would formalize what has been a historic practice.

Explanation of Local Revenues: See *Explanation of Local Expenditures*.

State Agencies Affected:

Local Agencies Affected: Municipalities and local units of government.

Information Sources: 2001 *Indiana Judicial Report*; Charles Pride, State Board of Accounts.

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